

with premiums that exceed \$350,000 but do not exceed \$1,200,000 are allowed to elect to be taxed on their net investment income.

Investment income or assets are not considered when determining qualification for either tax-exempt status or investment income taxation. These companies are allowed to elect to be taxed on their net investment income.

Early this year, President proposed in his FY 2001 budget to modify this calculation to include investment and other types of income. The proposal would also change the tax law to allow companies with premiums below \$350,000 to elect to be taxed on their net investment income.

By including investment income into the calculation, it is the intent of the administration to prohibit foreign companies and other large insurers from sheltering income from taxes.

However, by including investment into the calculation, the intended beneficiaries, small property and casualty insurance companies, will not be able to qualify for the exemption defeating the intent of Congress and purpose for the provision.

Mr. President, since 1921, small insurance companies have been exempt from federal taxation so that all their financial resources could be used for claims paying.

It has been the public policy goal to maintain small, rural, farm-oriented insurers so that all Americans would have access to coverage at a reasonable cost.

While the administration's goal of closing the loophole is admirable, the current proposal would only serve to harm the small U.S. farm insurance company that the provision is there to protect.

My legislation would close the loophole by limiting the provision to only those companies that are directly owned by their policyholders and the company operates in only one state.

In addition, the legislation would increase the tax exemption level from \$350,000 to \$531,000, indexed for inflation every year thereafter, and it would increase the investment income election from \$1.2 million to \$1.8 million, indexed for inflation every year thereafter.

The last time these levels were increased was 1986. Inflation has eroded the levels to the point of being irrelevant. The increased levels were calculated by using the CPI to adjust the levels for inflation.

Mr. President, by making these changes we can ensure that our rural and farming communities will continue to receive the needed insurance services. I urge my colleagues to support this legislation.

ADDITIONAL COSPONSORS

S. 670

At the request of Mr. JEFFORDS, the name of the Senator from Utah (Mr.

HATCH) was added as a cosponsor of S. 670, a bill to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualifying placement agencies, and for other purposes.

S. 1536

At the request of Mr. DEWINE, the names of the Senator from Vermont (Mr. LEAHY), the Senator from Wyoming (Mr. ENZI) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 1536, a bill to amend the Older Americans Act of 1965 to extend authorizations of appropriations for programs under the Act, to modernize programs and services for older individuals, and for other purposes.

S. 1855

At the request of Mr. MURKOWSKI, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1855, a bill to establish age limitations for airmen.

S. 2264

At the request of Mr. ROCKEFELLER, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 2264, a bill to amend title 38, United States Code, to establish within the Veterans Health Administration the position of Advisor on Physician Assistants, and for other purposes.

S. 2686

At the request of Mr. COCHRAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2686, a bill to amend chapter 36 of title 39, United States Code, to modify rates relating to reduced rate mail matter, and for other purposes.

S. 2787

At the request of Mr. GRAMS, his name was added as a cosponsor of S. 2787, a bill to reauthorize the Federal programs to prevent violence against women, and for other purposes.

S. 2986

At the request of Mr. HUTCHINSON, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 2986, a bill to limit the issuance of regulations relating to Federal contractor responsibility, to require the Comptroller General to conduct a review of Federal contractor compliance with applicable laws, and for other purposes.

S. CON. RES. 111

At the request of Mr. NICKLES, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. Con. Res. 111, a concurrent resolution expressing the sense of the Congress regarding ensuring a competitive North American market for softwood lumber.

S. RES. 304

At the request of Mr. BIDEN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a co-

sponsor of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the presentation of such educational programs.

AMENDMENTS SUBMITTED

AMERICAN COMPETITIVENESS IN THE TWENTY-FIRST CENTURY ACT OF 2000

ABRAHAM AMENDMENT NO. 4177

Mr. LOTT (for Mr. ABRAHAM) proposed an amendment to the bill (S. 2045) to amend the Immigration and Nationality Act with respect to H-1B nonimmigrant aliens; as follows:

Strike all after the word "section" and insert the following:

1. SHORT TITLE.

This Act may be cited as the "American Competitiveness in the Twenty-first Century Act of 2000".

SEC. 2. TEMPORARY INCREASE IN VISA ALLOTMENTS.

(a) FISCAL YEARS 2000-2002.—Section 214(g)(1)(A) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)(A)) is amended—
(1) by redesignating clause (v) as clause (vi); and
(2) by striking clauses (iii) and (iv) and inserting the following:
“(iii) 195,000 in fiscal year 2000; and
“(iv) 195,000 in fiscal year 2001;
“(v) 195,000 in fiscal year 2002; and”.

(b) ADDITIONAL VISAS FOR FISCAL YEAR 1999.—

(1) IN GENERAL.—Notwithstanding section 214(g)(1)(A)(ii) of the Immigration and Nationality Act (8 U.S.C. 1184(g)(1)(A)(ii)), the total number of aliens who may be issued visas or otherwise provided nonimmigrant status under section 101(a)(15)(H)(i)(b) of such Act in fiscal year 1999 is increased by a number equal to the number of aliens who are issued such a visa or provided such status during the period beginning on the date on which the limitation in such section 214(g)(1)(A)(ii) is reached and ending on September 30, 1999.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect as if included in the enactment of section 411 of the American Competitiveness and Workforce Improvement Act of 1998 (as contained in title IV of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999; Public Law 105-277).

SEC. 3. SPECIAL RULE FOR UNIVERSITIES, RESEARCH FACILITIES, AND GRADUATE DEGREE RECIPIENTS; COUNTING RULES.

Section 214(g) of the Immigration and Nationality Act (8 U.S.C. 1184(g)) is amended by adding at the end the following new paragraphs:

“(5) The numerical limitations contained in paragraph (1)(A) shall not apply to any nonimmigrant alien issued a visa or otherwise provided status under section 101(a)(15)(H)(i)(b)—

“(A) who is employed (or has received an offer of employment) at—